

IC 4-33-4

Chapter 4. Powers and Duties of Indiana Gaming Commission

IC 4-33-4-1

Administration, regulation, and enforcement of system

Sec. 1. (a) The commission has the following powers and duties for the purpose of administering, regulating, and enforcing the system of riverboat gambling established under this article:

- (1) All powers and duties specified in this article.
- (2) All powers necessary and proper to fully and effectively execute this article.
- (3) Jurisdiction and supervision over the following:
 - (A) All riverboat gambling operations in Indiana.
 - (B) All persons on riverboats where gambling operations are conducted.
- (4) Investigate and reinvestigate applicants and license holders and determine the eligibility of applicants for licenses.
- (5) Select among competing applicants the applicants that promote the most economic development in a home dock area and that best serve the interests of the citizens of Indiana.
- (6) Take appropriate administrative enforcement or disciplinary action against a licensee.
- (7) Investigate alleged violations of this article.
- (8) Establish fees for licenses issued under this article.
- (9) Adopt appropriate standards for the design, appearance, aesthetics, and construction for riverboats and facilities.
- (10) Conduct hearings.
- (11) Issue subpoenas for the attendance of witnesses and subpoenas duces tecum for the production of books, records, and other relevant documents.
- (12) Administer oaths and affirmations to the witnesses.
- (13) Prescribe a form to be used by a licensee involved in the ownership or management of gambling operations as an application for employment by potential employees.
- (14) Revoke, suspend, or renew licenses issued under this article.
- (15) Hire employees to gather information, conduct investigations, and carry out other tasks under this article.
- (16) Take any reasonable or appropriate action to enforce this article.

(b) Applicants and license holders shall reimburse the commission for costs related to investigations and reinvestigations conducted under subsection (a)(4).

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.20-1995, SEC.5.

IC 4-33-4-2

Rules

Sec. 2. The commission shall adopt rules under IC 4-22-2 for the following purposes:

- (1) Administering this article.
 - (2) Establishing the conditions under which riverboat gambling in Indiana may be conducted.
 - (3) Providing for the prevention of practices detrimental to the public interest and providing for the best interests of riverboat gambling.
 - (4) With respect to riverboats that operate on Patoka Lake, ensuring:
 - (A) the prevention of practices detrimental to the natural environment and scenic beauty of Patoka Lake; and
 - (B) compliance by licensees and riverboat patrons with the requirements of IC 14-26-2-5 and IC 14-28-1.
 - (5) Establishing rules concerning inspection of riverboats and the review of the permits or licenses necessary to operate a riverboat.
 - (6) Imposing penalties for noncriminal violations of this article.
- As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1995, SEC.38.*

IC 4-33-4-3

Rules; violations; fees and taxes; inspectors

Sec. 3. (a) The commission shall do the following:

- (1) Adopt rules that the commission determines necessary to protect or enhance the following:
 - (A) The credibility and integrity of gambling operations authorized by this article.
 - (B) The regulatory process provided in this article.
 - (C) The natural environment and scenic beauty of Patoka Lake.
- (2) Conduct all hearings concerning civil violations of this article.
- (3) Provide for the establishment and collection of license fees and taxes imposed under this article.
- (4) Deposit the license fees and taxes in the state gaming fund established by IC 4-33-13.
- (5) Levy and collect penalties for noncriminal violations of this article.
- (6) Deposit the penalties in the state gaming fund established by IC 4-33-13.
- (7) Be present through the commission's inspectors and agents during the time gambling operations are conducted on a riverboat to do the following:
 - (A) Certify the revenue received by a riverboat.
 - (B) Receive complaints from the public.
 - (C) Conduct other investigations into the conduct of the gambling games and the maintenance of the equipment that the commission considers necessary and proper.
 - (D) With respect to riverboats that operate on Patoka Lake, ensure compliance with the following:
 - (i) IC 14-26-2-6.
 - (ii) IC 14-26-2-7.
 - (iii) IC 14-28-1.
- (8) Adopt emergency rules under IC 4-22-2-37.1 if the

commission determines that:

(A) the need for a rule is so immediate and substantial that rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 are inadequate to address the need; and

(B) an emergency rule is likely to address the need.

(b) The commission shall begin rulemaking procedures under IC 4-22-2-13 through IC 4-22-2-36 to adopt an emergency rule adopted under subsection (a)(8) not later than thirty (30) days after the adoption of the emergency rule under subsection (a)(8).

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1995, SEC.39; P.L.27-1997, SEC.2; P.L.273-1999, SEC.40; P.L.14-2000, SEC.13.

IC 4-33-4-3.5

Employment of inspectors and agents

Sec. 3.5. The commission may employ or contract for inspectors and agents required under section 3(7) of this chapter. The licensed owners shall, in the manner prescribed by the rules of the commission, reimburse the commission for the salaries and other expenses of the inspectors and agents required to be present during the time gambling operations are conducted on a riverboat.

As added by P.L.53-1995, SEC.1.

IC 4-33-4-3.6

Employment of inspectors and reimbursement

Sec. 3.6. The commission may employ or contract for inspectors and agents required under section 3(7) of this chapter. The licensed owners shall, in the manner prescribed by the rules of the commission, reimburse the commission for the salaries and other expenses of the inspectors and agents required to be present during the time gambling operations are conducted on a riverboat.

As added by P.L.20-1995, SEC.6.

IC 4-33-4-4

Entering premises of licensee

Sec. 4. The commission may enter an office, a riverboat, a facility, or other premises of a person holding an owner's or supplier's license where evidence of the compliance or noncompliance with this article is likely to be found.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-5

Licensing standards

Sec. 5. The commission shall adopt standards for the licensing of the following:

(1) Persons regulated under this article.

(2) Electronic or mechanical gambling games.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-6

Records of licensee

Sec. 6. The commission shall require that the records, including financial statements, of a person holding an owner's or supplier's license must be maintained in the manner prescribed by the commission.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-7

Ejection or exclusion from facilities

Sec. 7. (a) The commission may eject or exclude or authorize the ejection or exclusion of a person from riverboat gambling facilities if:

- (1) the person violates this article; or
- (2) the commission determines that the person's conduct or reputation is such that the person's presence within the riverboat gambling facilities may:
 - (A) call into question the honesty and integrity of the gambling operations; or
 - (B) interfere with the orderly conduct of the gambling operations.

(b) A person may petition the commission for a hearing on the person's ejection or exclusion under this section.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-8

Violations of article; fraudulent acts

Sec. 8. If a licensee or an employee of a licensee violates this article or engages in a fraudulent act, the commission may do any combination of the following:

- (1) Suspend, revoke, or restrict the license of the licensee.
- (2) Require the removal of a licensee or an employee of a licensee.
- (3) Impose a civil penalty of not more than five thousand dollars (\$5,000) against an individual who has been issued an occupational license or a person who has been issued a supplier's license for each violation of this article.
- (4) Impose a civil penalty of not more than the greater of:
 - (A) ten thousand dollars (\$10,000); or
 - (B) an amount equal to the licensee's daily gross receipts for the day of the violation;

against an owner for each violation of this article.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-9

Cashless wagering system

Sec. 9. The commission shall require an owner conducting gambling games to use a cashless wagering system in which a player's money is converted to tokens, electronic cards, or chips that may be used only for wagering on the riverboat.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-10

Cruises; regulation of routes and stops

Sec. 10. If a riverboat cruises, the commission shall authorize the route of the riverboat and the stops, if any, that the riverboat may make while on a cruise.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.192-2002(ss), SEC.10.

IC 4-33-4-11

Insurance

Sec. 11. The commission shall establish the minimum amount of insurance that must be maintained by owner and supplier licensees.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-12

Alcoholic beverages

Sec. 12. Except as provided by IC 7.1-3-17.5, IC 7.1 and the rules adopted by the alcohol and tobacco commission apply to a person holding an owner's license.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.15-1994, SEC.2; P.L.204-2001, SEC.8.

IC 4-33-4-13

Navigable waterways; determination

Sec. 13. (a) After consulting with the United States Army Corps of Engineers, the commission may do the following:

- (1) Determine the waterways that are navigable waterways for purposes of this article.
- (2) Determine the navigable waterways that are suitable for the operation of riverboats under this article.

(b) In determining the navigable waterways on which riverboats may operate, the commission shall do the following:

- (1) Obtain any required approvals from the United States Army Corps of Engineers for the operation of riverboats on those waterways.
- (2) Consider the economic benefit that riverboat gambling provides to Indiana.
- (3) Seek to ensure that all regions of Indiana share in the economic benefits of riverboat gambling.
- (4) Considering IC 14-26-2-6, IC 14-26-2-7, and IC 14-28-1, conduct a feasibility study concerning:
 - (A) the environmental impact of the navigation and docking of riverboats upon Patoka Lake; and
 - (B) the impact of the navigation and docking of riverboats upon the scenic beauty of Patoka Lake.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1995, SEC.40.

IC 4-33-4-14

Navigable waterways; extreme circumstances

Sec. 14. The commission may adopt emergency orders under

IC 4-21.5-4 concerning navigability of waterways for extreme weather conditions or other extreme circumstances.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-15

Annual duties of commission

Sec. 15. The commission shall annually do the following:

- (1) Review the patterns of wagering and wins and losses by persons on riverboat gambling operations under this article.
- (2) Make recommendations to the governor and the general assembly concerning whether limits on wagering losses should be imposed.
- (3) Examine the impact on the natural environment and scenic beauty of Patoka Lake made by the navigation and docking of riverboats.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-16

Investigative procedure; complaints

Sec. 16. (a) The commission shall review and make a determination on a complaint by a person who has been issued an owner's license concerning an investigative procedure that the licensee alleges is unnecessarily disruptive of gambling operations.

(b) A licensee filing a complaint under this section must prove all of the following by clear and convincing evidence:

- (1) The investigative procedure had no reasonable law enforcement purpose.
- (2) The investigative procedure was so disruptive as to unreasonably inhibit gambling operations.

(c) For purposes of this section, the need to inspect and investigate a licensee shall be presumed at all times.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-17

Licenses; application; denial, suspension, revocation, restriction, or refusal to renew; hearings

Sec. 17. (a) The commission shall decide promptly and in reasonable order all license applications.

(b) Notwithstanding any provision of this article, no owner's license may be granted for any riverboat that is not to be docked in the city described under IC 4-33-6-1(a)(1) until the earlier of:

- (1) the issuance of an owner's license for a riverboat that is to be docked in the city described under IC 4-33-6-1(a)(1); or
- (2) September 1, 1994.

(c) Notwithstanding any provision of this article, no owner's license may be granted for any riverboat that is to be docked in a county described in IC 4-33-1-1(3) until July 1, 1995.

(d) A party aggrieved by an action of the commission denying, suspending, revoking, restricting, or refusing the renewal of a license may request a hearing before the commission. A request for a hearing must be made to the commission in writing not more than ten (10) days

after service of notice of the action of the commission.

(e) The commission shall serve notice of the commission's actions to a party by personal delivery or by certified mail. Notice served by certified mail is considered complete on the business day following the date of the mailing.

(f) The commission shall conduct all requested hearings promptly and in reasonable order.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1994, SEC.13.

IC 4-33-4-18

Background investigations

Sec. 18. The state police department shall assist the commission in conducting background investigations of applicants. The commission shall reimburse the state police department for the costs incurred by the state police department as a result of the assistance. The commission shall make the payment from fees collected from applicants.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-19

Revocation of licenses

Sec. 19. The commission shall revoke the license of a licensee who operates a riverboat upon Patoka Lake if that licensee violates any of the following:

- (1) IC 14-26-2-6.
- (2) IC 14-26-2-7.
- (3) IC 14-28-1.

As added by P.L.277-1993(ss), SEC.124. Amended by P.L.1-1995, SEC.41.

IC 4-33-4-20

Void licenses

Sec. 20. If the United States Army Corps of Engineers rescinds an approval required under section 13 of this chapter, a license issued under this article is void and the holder of the license may not conduct or continue gambling operations under this article.

As added by P.L.277-1993(ss), SEC.124.

IC 4-33-4-21

Licenses; transfer, sale, purchase, or voting trust; rules of procedure; prohibitions

Sec. 21. (a) A licensed owner or any other person must apply for and receive the commission's approval before:

- (1) an owner's license is:
 - (A) transferred;
 - (B) sold; or
 - (C) purchased; or
 - (2) a voting trust agreement or other similar agreement is established with respect to the owner's license.
- (b) The commission shall adopt rules governing the procedure a

licensed owner or other person must follow to take an action under subsection (a). The rules must specify that a person who obtains an ownership interest in a license must meet the criteria of this article and any rules adopted by the commission. A licensed owner may transfer an owner's license only in accordance with this article and rules adopted by the commission.

(c) A licensed owner or any other person may not:

- (1) lease;
- (2) hypothecate; or
- (3) borrow or loan money against;

an owner's license.

As added by P.L.20-1995, SEC.7.

IC 4-33-4-21.2

Display and maintenance of toll free number

Sec. 21.2. (a) The Indiana gaming commission shall require a licensed owner to conspicuously display the number of the toll free telephone line described in IC 4-33-12-6 in the following locations:

- (1) On each admission ticket to a riverboat if tickets are issued.
- (2) On a poster or placard that is on display in a public area of each riverboat where gambling games are conducted.

(b) The toll free telephone line described in IC 4-33-12-6 must be:

- (1) maintained by the division of mental health and addiction under IC 12-23-1-6; and
- (2) funded by the addiction services fund established by IC 12-23-2-2.

(c) The commission may adopt rules under IC 4-22-2 necessary to carry out this section.

As added by P.L.54-1995, SEC.1. Amended by P.L.215-2001, SEC.5; P.L.192-2002(ss), SEC.11.